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COMMERCIAL MOTOR VEHICLE POLICY

INTRODUCTION

Thank you for purchasing insurance from The New India Assurance Company Limited.

1.1 *Your insurance policy:*

Your insurance policy consists of:

- **Your** proposal and any other information **you** supplied **us**, and
- This policy wording, and
- The policy **schedule**

1.2 *Premium*

Once **you** have paid, or agreed to pay, the premium, **we** will insure **you** on the terms set out in this policy.

1.3 *Your satisfaction guaranteed*

We will give **you** a full refund of **your** premium within the first 30 days if **you** are not completely happy with the policy. **You** will not be able to claim under the policy if **you** request a refund during this period.

1.4 *Your duty of disclosure*

When arranging this insurance, **you** must tell **us** everything **you** know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:

- Whether to accept **your** proposal, and
- If so, on what terms.

Examples of what **you** must tell **us** include:

- Anything that increases the risk of a claim
- Any criminal offending or convictions
- Any previous insurance claims
- Any refusal by another insurer to insure **you** on standard terms, or to continue to insure **you** on standard terms.

You must also tell **us** this every time this policy renews, and when **you** make any changes to it.

If **you** fail to do this, **we** may avoid the policy back to when it started as if **you** were never insured at all.

When in doubt, disclose. We treat all information confidentially.

2 POLICY OPTIONS

2.1 **You** have one of the following policy options:

2.1.1 *Full cover*

You have full cover under both Sections A and B below.

2.1.2 *Third party fire and theft*

You have:

- (a) Full cover under Section B, and

- (b) Cover under Section A is limited to **accidental loss** of the **vehicle** during the **period of insurance** caused by:
 - Fire, lighting or explosion, or
 - Theft or illegal conversion (including attempted theft or illegal conversion).
 - (c) The *Uninsured Third Party Cover* below.
 - 2.1.3 *Third party only*
You have:
 - (a) Full cover under Section B, and
 - (b) The *Uninsured Third Party Cover* below.
 - 2.2 If **you** have anything other than *Full cover*, it will be shown in the **schedule**.
 - 2.3 *Uninsured Third Party Cover*
 - 2.3.1 **We** will indemnify **you** against **accidental loss** to the **vehicle** during the **period of insurance**, provided:
 - (a) The **vehicle** weighs 3500 kilograms or less, and
 - (b) The **loss** was caused by a third party who has no liability insurance for damage to the **vehicle**, and
 - (c) **You** can supply to **us**:
 - The correct registration number of the third party vehicle, and
 - The name and address of the driver of the third-party vehicle.
 - 2.3.2 The most **we** will pay under this *Cover* for any one **vehicle** is the lesser of:
 - (a) The **market value** of the **vehicle**, and
 - (b) \$3,000.
 - 2.3.3 This *Cover* is otherwise subject to the same terms that apply to Section A
- 3 VEHICLE LIMITATIONS**
- 3.1 *Who may use the vehicle*
 - 3.1.1 This policy covers the **vehicle** while it is being used by:
 - **You**, or
 - Any person who uses the **vehicle** with **your** consent, provided the driver:
 - Is legally allowed to operate the **vehicle**, and
 - Holds a current licence to drive the **vehicle**, and
 - Is not breaching any licence condition relating to that **vehicle**.
 - 3.1.2 This does not apply if any person steals or illegally converts the **vehicle**, provided **you** lay a complaint with the Police.
 - 3.2 *What the vehicle can be used for*
 - 3.2.1 This policy only covers the **vehicle** while it is being used:
 - In connection with **your** business, or
 - For private, social or domestic purposes.
 - 3.2.2 Any **vehicle** temporarily lent out by **you** without charge will be covered provided the **vehicle** is used for a purpose comparable with those set out above.
 - 3.2.3 No cover applies if the **vehicle** is used on a racetrack, or for racing, pacemaking, reliability trials, hill climbing, speed tests, or testing in preparation for any of these.
- 4 SECTION A - INSURING CLAUSE**
- 4.1 *Loss to the vehicle*
We will indemnify **you** against **accidental loss** in New Zealand to the **vehicle** during the **period of insurance**.
 - 4.2 *General Average*
 If the **vehicle** is in transit between places in New Zealand when a **loss** covered by this policy occurs, **we** will also indemnify **you** against any cost of General Average and Salvage Charges payable according to Foreign Statement or York-Antwerp Rules.
- 5 SECTION A – AUTOMATIC EXTENSIONS**
- 5.1 *Additions and deletions*
 - Cover
 - 5.1.1 Any vehicle that **you** acquire during the **period of insurance** will be automatically added to the **schedule** from the date that **you** acquire it.

- 5.1.2 Any **vehicle** that **you** dispose of during the **period of insurance** will be automatically deleted from the **schedule** from the date **you** dispose of it.
Telling us about vehicle changes
- 5.1.3 **You** must tell **us** about any additions or deletions, as soon as possible, but no later than:
 (a) 30 days after the date of purchase, or
 (b) The end of the **period of insurance**
 whichever occurs first.
- 5.1.4 Any adjustment to the premium will be:
 (a) Calculated as a proportion of the annual premium, and
 (b) Adjusted at the end of the **period of insurance**.
- Amount payable
- 5.1.5 The sum insured for each additional vehicle will be the purchase price (or if not purchased, the **market value**) of that vehicle, up to a maximum of \$100,000, unless **you** advise **us** differently at the time of acquisition.
- 5.2 *Breakage of windscreens and window glass only*
- 5.2.1 If **your vehicle** suffers **loss** to its windscreens and/or windows only (and scratching or damage to bodywork resulting solely from this) that is covered under this policy, **your** claim will not:
 (a) Affect **your** No Claim Bonus, nor
 (b) Be subject to any **excess**.
- 5.3 *Death by injury*
Cover
- 5.3.1 If, as a direct result of **bodily injury** sustained in an **accident** covered by this policy, **you** die within 90 days, **we** will pay \$10,000 to **your** estate.
- 5.3.2 If more than one individual becomes entitled to payment under this extension through one **claim**, the amount payable will be divided equally between them.
- 5.4 *Funeral costs*
Indemnity
- 5.4.1 If **we** have accepted a claim under 5.3 above, **we** will also pay any reasonable funeral costs.
- 5.4.2 If more than one individual becomes entitled to payment under this extension through one **claim**, then the amount payable will be divided equally between them.
- Amount payable
- 5.4.3 **We** only pay costs in excess of those claimable from ACC or any other source.
- 5.4.4 The most **we** will pay is \$5,000 for any one **claim**.
- 5.5 *Disability Modifications*
Cover
- 5.5.1 If **you** become permanently disabled as a direct result of **bodily injury** sustained in an **accident** covered under this policy, **we** will pay the reasonable cost of any necessary modifications to **your vehicle**.
- Amount payable
- 5.5.2 **We** only pay costs in excess of those claimable from ACC or any other source.
- 5.5.3 The most **we** will pay is \$5,000 for any one **claim**.
- 5.6 *Hoists*
Cover
- 5.6.1 **We** will indemnify **you** against the **accidental loss** during the **period of insurance** to hydraulic rams and hoists permanently attached to the **vehicle**.
- Exclusion that does not apply
- 5.6.2 Exclusion 7.1.5 does not apply to this extension.
- Amount payable and excess
- 5.6.3 The most **we** pay is \$5,000 for any one **claim**. An **excess** of \$1,000 applies to this extension.
- 5.7 *Invalidation Cover*

- Cover
- 5.7.1 If a **vehicle** suffers **loss** that would be covered by this policy but for the application of one of the circumstances in the General Exclusions in clause 14 below, **we** will still indemnify **you**, provided the circumstance occurred without **your** direct or indirect knowledge.
- 5.7.2 This indemnity only applies to **you**. The driver remains uninsured under this policy and we may subrogate and sue the driver to recover the **loss**.
- Amount payable and excess
- 5.7.3 The most **we** will pay is \$100,000 for any one **claim**. An additional **excess** of \$1,000 applies to this extension.
- 5.8 *Property in Transit*
- Cover
- 5.8.1 Following **loss** to a **vehicle** covered under this policy, **we** will indemnify **you** against **accidental loss** to property belonging to **you** that was carried on it, or in it, provided the **loss** is caused by the **vehicle**:
- Catching fire, or
 - Overtaking, or
 - Being involved in a collision.
- Amount payable and Excess
- 5.8.2 The most **we** will pay is \$5,000 for any one **claim**. An **excess** of \$250 applies to this extension.
- 5.9 *Removal of Debris*
- Cover
- 5.9.1 Following **loss** to a **vehicle** covered under this policy, **we** will indemnify **you** for reasonable costs **you** incur in:
- (a) Removing debris from any road or parking area, and
 - (b) Recovering, reloading or trans-shipping any property carried by the **vehicle** to the nearest place of safety,
- Amount payable
- 5.9.2 The most **we** will pay is \$5,000 for any one **claim**.
- 5.10 *Return Home Cover*
- Cover
- 5.10.1 Following **loss** to a **vehicle** covered under this policy, **we** will indemnify **you** against reasonable costs **you** incur in:
- (a) Hiring another vehicle to complete the journey, or
 - (b) Returning to the place the journey commenced from, and
 - (c) Returning the **vehicle** to the premises where it normally based following its repair or (in the event of theft or conversion) its recovery,
- providing the **vehicle** is unable to be driven.
- Amount payable
- 5.10.2 The most **we** may pay under this extension, in total is:
- (a) \$2,000 for any one **loss**, and
 - (b) \$5,000 during the **period of insurance**.
- 5.11 *Safety of the vehicle*
- Cover
- Following **loss** to a **vehicle** covered under this policy, **we** will indemnify **you** against reasonable costs **you** incur to ensure the safety of the **vehicle**.
- 5.12 *Salvage Costs*
- Cover
- Following **loss** to a **vehicle** covered under this policy, **we** will indemnify **you** against reasonable costs **you** incur in:
- (a) Salvaging or recovering the **vehicle**, and
 - (b) Delivering the **vehicle** to a place of repair or inspection,
- 5.13 *Tarpaulins, sheets, ropes or chains*
- Cover
- 5.13.1 **We** will indemnify **you** against **accidental loss** to tarpaulins, sheets, ropes or chains during the **period of insurance** provided they are in or on the **vehicle** at the time of the **loss**.

Amount payable and Excess

5.13.2 The most **we** will pay under this extension, in total, is \$2,000 for any one **loss**. An **excess** of \$25 applies to this extension.

6 SECTION A – OPTIONAL EXTENSIONS

Cover under each of these optional extensions only applies if the extension is shown in the **schedule**.

6.1 Foreign Objects

Cover

6.1.1 **We** will indemnify **you** against **accidental loss** to a **vehicle** that is an agricultural implement or machine, connected with the ingestion or entry of a foreign object into it.

Exclusion that does not apply

6.1.2 Exclusion 7.4 does not apply to this extension.

6.2 Loss of use

Cover

6.2.1 Following **loss** to a **vehicle** covered under this policy, **we** will indemnify **you** against the reasonable cost of hiring a substitute vehicle provided:

- (a) The substitute vehicle is of a similar make and model to the **vehicle**, and
- (b) Repair or replacement of the **vehicle** is carried out as soon as possible.

Restrictions

6.2.2 **We** will not make any payment if **you** are able to obtain the use of an alternative vehicle at no cost.

Amount Payable and Excess

6.2.3 Payment for a substitute vehicle begins:

After **we** have had the opportunity to assess and authorise repairs to the **vehicle**, or
From the date the **vehicle** is lost, disabled or declared a **total loss** by **us**,
whichever occurs first.

6.2.4 The most **we** will pay under this extension is:

- (a) The daily limit specified in the **schedule**, for up to a maximum period of 40 days for any one **loss**, and
- (b) \$5,000 in total.

6.2.5 **You** must pay the first five days of the 40-day period rental **yourself**.

7 SECTION A – EXCLUSIONS

7.1 Types of loss not covered

This policy does not insure the following kinds of **loss**:

7.1.1 Loss of use or any consequential loss, unless expressly covered.

7.1.2 Depreciation or loss in value,

7.1.3 Punctures, cuts, bursts, or damage to tyres, unless these arise from **accidental loss** to the **vehicle** covered under this policy.

7.1.4 Rust or corrosion.

7.1.5 Any breakdown or failure that is:

- (a) Mechanical, or
- (b) Electrical, or
- (c) Electronic,

and any resulting **loss** to any other part of the **vehicle**. However, this exclusion does not apply if the **loss** is caused by **accidental**:

- Impact, collision or overturning, or
- Fire or flood, or
- Theft or wilful damage.

7.1.6 Wear and tear and any resultant **loss** to the engine, hydraulic or transmission systems (but not to any other parts of the **vehicle**).

7.2 Defects in design / specifications / materials

This policy does not insure **loss** connected with faulty or defective design, specifications or materials of the **vehicle**. However, this exclusion does not apply to resultant damage (if any) to other parts of the **vehicle**.

- 7.3 *Theft by an apparent purchaser*
This policy does not insure theft or illegal conversion by an apparent purchaser of the **vehicle**, who:
- Uses any fraudulent scheme or device, or
 - Practises any false pretence upon **you**.
- 7.4 *Foreign objects in agricultural implement*
This policy does not insure **loss** connected with the ingestion or entry of any foreign object into any tractor or agricultural implement or machine.
- 8 SECTION A – BASIS OF SETTLEMENT**
- 8.1 *Method of indemnity*
We will indemnify **you** by choosing one of the following options:
- 8.1.1 **We** will pay the cost of repairs, or
- 8.1.2 **We** will replace the **vehicle** with a vehicle of similar condition, or
- 8.1.3 **We** will pay an amount equal to the **market value** of the **vehicle**.
- 8.2 *Maximum amount payable*
The maximum amount **we** will pay is the lesser of:
- 8.2.1 The **market value** of the **vehicle**, and
- 8.2.2 The sum insured as shown in the **schedule**.
- 8.3 *Excess*
The **excess** shown in the **schedule** will be deducted from the amount of the **loss** for each **claim**, unless:
- 8.3.1 Stated otherwise in this policy, or
- 8.3.2 Fire, theft or illegal conversion is the cause of the **loss**.
- 8.4 *Betterment*
We will not repair the **vehicle** to a condition better than it was before the **loss** occurred.
- 8.5 *Vehicle no longer manufactured*
If the **vehicle** is no longer manufactured **we** will not pay more than the supplier's or manufacturer's latest list price for any:
- 8.5.1 Part, or
- 8.5.2 Accessory
of the **vehicle**.
We will also pay what would have been the reasonable cost of fitting the part or accessory.
- 8.6 *Total loss*
- 8.6.1 This applies to *Full cover* policies only.
- 8.6.2 If the **claim** results in a **total loss**, **we** will replace the **vehicle** with a new one of the same make, model, and specification, if:
- The make/model/specification is available in New Zealand, and
 - The **vehicle** is less than 12 months-old (from first being registered in New Zealand as a new vehicle), and
 - The **vehicle** is a car or station-wagon, and
 - The **vehicle** weighs 3500 kilograms or less.
- 8.6.3 If **you** do not want the **vehicle** replaced with a new one, **we** will pay **you** up to the **market value** of the **vehicle** instead.
- 8.6.4 Where the claim is a **total loss**, despite the Cancellation General Condition, **you** are not entitled to any refund of the annual premium. **You** must continue to pay any outstanding balance of that premium or **we** may deduct it from the claim payment

9 SECTION B – INSURING CLAUSE

- 9.1 *Liability cover*
We will indemnify **you**, and any driver who is in charge of the **vehicle** with **your** consent, against liability following:
- **Accidental bodily injury** to any person, and/or
 - **Accident loss** to any property,
- occurring in New Zealand during the **period of insurance** in connection with the **vehicle** (including while it is being loaded or unloaded).
- 9.2 *Defence costs*
We will also indemnify **you** and any driver who is in charge of the **vehicle** with **your** consent, against **defence costs**.

- 9.3 *Court action / inquiries / inquests*
Cover
 9.3.1 If **you** are entitled to cover under 9.1 above, and the driver:
 (a) Is charged with careless driving causing death, or
 (b) Is legally represented at any inquiry or coroner's inquest concerning a death from the use of the **vehicle**,
we will indemnify **you** for the **defence costs**.
Amount payable
 9.3.2 The most **we** will pay is \$2,000 for any one **claim**.
- 10 SECTION B - AUTOMATIC EXTENSIONS**
- 10.1 *Fire Service Charges*
Cover
 10.1.1 Following a claim payable under this policy, **we** will indemnify **you** against any charge the New Zealand Fire Service is authorised to make against **you** under Section 47C of the Fire Services Act 1975.
Amount payable
 10.1.2 The most **we** will pay is \$2,000 for any one **claim**.
- 10.2 *Using other vehicles*
We will provide the same indemnity under this Section B if **you** are driving any vehicle that is neither owned nor hired by **you**, provided:
 10.2.1 It weighs less than 3500 kilograms, and
 10.2.2 It is being used in connection with **your** business.
- 10.3 *Movement of other vehicles*
Cover
 10.3.1 **We** will provide the same indemnity under this Section B to liability arising from the movement by **you** (or any of **your** authorised employees) of any vehicle that:
 • Is parked in a position that prevents or impedes the loading or unloading of the **vehicle**, or
 • Prevents or impedes the legitimate passage of the **vehicle**.
Exclusion that does not apply
 10.3.2 Exclusion 12.2 does not apply to this extension.
- 10.4 *Towing*
Cover
 10.4.1 **We** will provide the same indemnity under this Section B to liability arising from the **vehicle** being used while towing any:
 One trailer or caravan, or
 One disabled mechanically propelled vehicle
 if the towing is not for hire or reward.
Exclusion that does not apply
 10.4.2 Exclusion 12.2 does not apply to this extension.
- 11 SECTION B - OPTIONAL EXTENSION**
 Cover under this extension only applies if the extension is shown in the **schedule**.
- 11.1 *Liability for rental vehicles*
If you are insured for Full cover
 11.1.1 If **you** are insured for *Full cover* and **you** have rejected a rental vehicle owner's offer of insurance (under Clause 11 of the agreement to hire a rental vehicle) then **we** will indemnify **you** for:
 (a) **Your** liability for **accidental loss** to the rental vehicle, on the same basis as Section B of this policy. The most **we** will pay is the lesser of:
 (i) the **market value** of the vehicle (including its accessories and spare parts at the time of **loss**), or \$50,000.
 (b) If (a) above applies, **your** liability for any consequential loss of revenue, and other costs and expenses of the owner of the rental vehicle (including towing and salvage costs associated with recovery of the vehicle and its accessories or spare parts). The most **we** will pay is \$100,000.

- (c) **Your** liability to third parties on the same basis as Section B of this policy.

If you are insured for *Third party only*, or *Third party fire and theft*

11.1.2 If **you** are insured for *Third party only*, or *Third party fire and theft* and **you** have accepted a rental vehicle owner's offer of insurance (under Clause 10 of the agreement to hire a rental vehicle) **we** will indemnify **you** for:

- (a) Any **excess** applicable under the rental owner's insurance, and
- (b) **Your** liability to third parties on the same basis as Section B of this policy, but only for the difference between:

\$250,000 (or any greater amount provided under Clause 10 of the agreement for liability for damage to property), and \$1,000,000.

Exclusion that does not apply

11.1.3 Exclusion 12.8 does not apply to this extension.

12 SECTION B - EXCLUSIONS

12.1 *Transporting of a load*

This policy does not insure liability arising from:

- The bringing of a load for loading onto the **vehicle**, or
- The taking away of the load from the **vehicle**.

12.2 *Property owned or in your care*

This policy does not insure liability for **loss** to property that belongs to **you**, or is in **your** possession or control.

12.3 *Property beneath the vehicle*

This policy does not insure liability for **loss** to any property or road that is caused by:

- Vibration by the **vehicle**, or
- The weight of the **vehicle**, and/or
- The weight of the load carried by the **vehicle**.

12.4 *Underground property*

This policy does not insure liability for **loss** to:

- Underground pipelines, or
- Cables, or
- Other underground installations of any description.

12.5 *Cranes, hoists*

This policy does not insure liability connected with any appliance that is:

- 12.5.1 Temporarily or permanently carried by the **vehicle**, and
- 12.5.2 Being operated on its own, separate from the **vehicle**.

This exclusion does not apply to any fork hoist.

12.6 *Vehicles*

This policy does not insure liability for **loss** to:

- 12.6.1 Any **vehicle** that is insured by the policy, or
- 12.6.2 Any property being carried in or on it.

12.7 *Drivers*

This policy does not insure liability for:

- **Bodily injury** to, or
- **Loss** of property of, the driver of the **vehicle**.

12.8 *Contractual liability*

This policy does not insure liability that **you** agree to under a contract, where that liability:

- Arises solely under the contract, and
- Does not otherwise arise at law.

13 SECTION B – BASIS OF SETTLEMENT

13.1 *Maximum amount payable*

The maximum amount payable under Section B, for a **claim** is \$1,000,000. This includes **defence costs**.

13.2 *Excess*

An **excess** on applies under Section B if specified in the **schedule**. If an **excess** applies, it will be deducted from each **claim**.

14 SECTIONS A & B GENERAL EXCLUSIONS

These general exclusions apply to both Sections A & B.

14.1 *Unlicensed drivers*

This policy does not insure any **loss** or liability if a **vehicle** is being driven by a person who:

- 14.1.1 Does not hold a driver's licence or does not hold any other licence, appropriate for the class/operation of the **vehicle** (or the **vehicle's** components), unless:
- (a) The driver has held, and is not disqualified from holding or obtaining, and actually obtains such a licence without a further driving test, or
 - (b) the **vehicle** is being used for the purpose of teaching a learner to drive, and all the requirements of the law are being complied with, or
- 14.1.2 Breaches any licence conditions that apply when driving the **vehicle** or the **vehicles** components.

This exclusion does not apply to any claim for **loss** arising from theft or illegal conversion of the **vehicle**.

14.2 *Unsafe vehicles*

This policy does not insure any **loss** or liability if the **vehicle** is being driven in an unsafe manner or condition, and

- 14.2.1 That condition contributes to the **loss** or liability, and
- 14.2.2 **You**, or any driver was (or should have been) aware of that condition.

This exclusion does not apply to any claim for **loss** arising from theft or illegal conversion of the **vehicle**.

14.3 *Alcohol/drugs*

This policy does not insure any **loss** or liability if the **vehicle** is being driven by any person, who:

- 14.3.1 Has a proportion of alcohol in the breath or blood that exceeds the legal limit, or
- 14.3.2 Is under the influence of any other intoxicating substance or drug, or
- 14.3.3 Fails or refuses to supply a breath or blood sample as required by law, or
- 14.3.4 Fails or refuses to stop, or remain at the scene, following an **accident** (as required by law).

This exclusion does not apply to any claim for **loss** arising from theft or illegal conversion of the **vehicle**.

14.4 *Excessive loads*

This policy does not insure any **loss** or liability if a **vehicle** is:

- 14.4.1 Loaded in excess of the manufacturer's recommended specifications, and/or
- 14.4.2 Loaded or operated contrary to any enactment or regulations.

This exclusion does not apply to any claim for **loss** arising from theft or illegal conversion of the **vehicle**.

14.5 *War / confiscation / nuclear*

This policy does not insure **loss** or liability in connection with:

- 14.5.1 War, invasion, act of foreign enemy, hostilities or warlike operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, insurrection, military or usurped power,
- 14.5.2 Confiscation, nationalisation, requisition or destruction of, or damage to, property by order of government, public or local authority,
- 14.5.3 Nuclear weapons material,
- 14.5.4 Ionising radiations or contamination by radioactivity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exclusion, combustion shall include any self-sustaining process of nuclear fission,
- 14.5.5 Nuclear power generation.

14.6 *Terrorism*

This policy does not insure **loss** or liability of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

- An **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, death, injury, illness, liability, cost or expense.
- Any action taken in controlling, preventing, suppressing or in any way relating to an **act of terrorism**.

15 SECTIONS A & B - CLAIMS CONDITIONS

15.1 Making a claim on this insurance

You must:

- (a) Tell **us** as soon as **you** are aware of any **loss** or liability covered under this policy
- (b) Complete **our** claim form in full if requested
- (c) Allow **us** to investigate and inspect the **loss** or liability
- (d) Provide any other information or assistance which **we** need
- (e) Give **us** permission to obtain personal information which relates to **your** claim held by any other party
- (f) Forward to **us** all relevant information and correspondence
- (g) Provide a statutory declaration to verify the **loss** or liability if **we** request it
- (h) Lay a complaint with the Police if **you** suspect burglary, theft, arson or intentional damage
- (i) Minimise **your loss** or liability, and try to avoid any further **loss** or liability
- (j) Take reasonable steps to obtain details of any other person, property or vehicle involved, and any witnesses.

You must not:

- (a) Dispose of any property that **you** intend to claim for under this policy
- (b) Start any repairs without **our** permission unless it is necessary to prevent further **loss**
- (c) Say or do anything that may prejudice **our** ability to make recovery for the **loss** from any other person who may be responsible for it.

15.2 After you have made a claim

After **you** have made a claim:

- (a) **We** have the sole right to act in **your** name and negotiate, defend or settle any liability on **your** behalf at **our** own expense.
- (b) **We** may appoint **our** own lawyers to defend **you**. They will report to **us**.
- (c) **We** may pay the maximum amount payable under this policy (or any lesser amount for which the liability can be settled), plus the **defence costs** incurred to date. This meets **our** obligations under the policy in full.
- (d) **We** may take over in full any legal right of recovery that **you** have.
- (e) If any lost or stolen property for which **we** have paid a claim is later found or recovered, **you** must:
 - Tell **us** immediately, and
 - Hand the property over to **us** if **we** request it.
- (f) **You** must reimburse **us** if **you** receive any money from any person ordered to make reparation to **you**.

15.3 Dishonest or fraudulent claims

If **your** claim is dishonest or fraudulent in any way, **we** may decline your claim, wholly or partially and, at **our** discretion, declare that this policy is unenforceable from the date of the dishonest or fraudulent act.

16 SECTIONS A & B - GENERAL CONDITIONS

16.1 Comply with the policy

You must meet the following conditions **BEFORE** **we** are obliged to pay **you**:

16.1.1 **You** must comply with all the policy terms, and

16.1.2 Provide true statements and answers when **you**:

- apply for this insurance, and
- notify **us** regarding any change in circumstances, and
- make any claim under this policy.

16.2 Cancellation

16.2.1 **You** may cancel the policy by giving **us** notice. **We** will refund to **you** the unexpired portion of any premium **you** have already paid to **us**.

16.2.2 **We** may cancel this policy at any time by giving notice to **you**. It will be effective from 4.00pm 14 days after the notice is given. The 14-day period starts on the day the notice is delivered or posted. **We** will refund to **you** the unused portion of any premium **you** have already paid to **us**.

16.3 Change in circumstances

16.3.1 **You** must tell **us** immediately, after the start of the policy, if there is a material fact that **you** know that would:

- Increase in the risk insured, or
 - Alteration in the risk insured.
- What we may do if circumstances change
After **you** have told **us** about a change in the risk insured, **we** may amend **your**:
- Premium payable, and/or
 - Terms and conditions of this policy.
- Those changes will be effective immediately.
- What we may do if you do not tell us of changed circumstances
If **you** fail to tell **us** about a change in the risk insured, **we** may:
- Declare this policy unenforceable, or
 - Completely or partially refuse any subsequent claim.
- These actions will be taken from the date **you** knew, or ought to have known, of the increase or alteration in the risk insured.
- 16.4 *Double insurance*
- 16.4.1 **You** must notify **us** immediately of any other insurance policy that covers any of the risks covered under this policy.
- 16.4.2 If any other insurance policy exists, **we** will only pay over and above the limit payable under that other policy.
- 16.5 *Goods and Services Tax*
- 16.5.1 Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:
- all Sums Insured exclude GST (unless otherwise stated), and
 - GST will be added, where applicable, to claim payments.
- 16.6 *Governing Law*
- 16.6.1 The law of New Zealand applies to this policy and the New Zealand Courts have exclusive jurisdiction.
- 16.7 *Insurance Law Reform Acts*
- 16.7.1 The exclusions and conditions in this policy are subject to **your** rights under the Insurance Law Reform Acts 1977 and 1985.
- 16.8 *Notices*
- 16.8.1 Notices from **you** to **us** must be delivered personally, posted or emailed to **us**.
- 16.8.2 Notices from **us** to **you** must be delivered personally, posted or emailed to **your** last known postal address
- 16.9 *Take reasonable care*
- 16.9.1 **You**, and anyone else covered under this policy, must take reasonable care to avoid circumstances that may result in a claim.
- 16.9.2 **Your** claim will not be covered if **you** are reckless or grossly irresponsible.
- 16.10 *Parties with financial interests*
- 16.10.1 **We** may pay all or part of any claim proceeds to the holder of any financial interest over a **vehicle**. **Our** obligations to **you** under this policy are satisfied to the extent of that payment. **You** authorise **us** to disclose personal information about **you** to any holder of a financial interest.
- 16.10.2 A party, who is recorded as having a financial interest under this policy, is not insured by this policy and does not have rights to claim under the policy.
- 16.11 *Acts of Parliament*
- 16.11.1 Where this policy refers to any Act of Parliament, this includes any Statutory Regulations made under it. It also includes any Act or Regulations enacted in substitution.
- 16.12 *Separate insurance*
- 16.12.1 If more than one person or entity is named as 'Insured' in the **schedule**, then all the parties are insured separately (as though a separate policy had been issued to each person/entity).
- 16.12.2 However, the limits contained in this policy are the most **we** pay to all persons and entities combined.
- 16.13 *Headings*
- 16.13.1 Headings in this policy are for ease of reference only. They do not form part of the policy, and are not to be used as an aid to interpretation.

17 SECTIONS A & B - DEFINITIONS

17.1

These words (and any derivatives) marked in **bold** throughout the policy are defined as follows:

Accident means an event or omission that is unexpected and unintended from **your** point of view.

Act of terrorism means an act, including but not limited to the use of force or violence and threat of any person or group, whether acting alone or on behalf of or in connection with any organisation or government that from its nature or context is done for, or in connection with political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and, or, to put the public or any part of the public in fear.

Bodily injury means the **accidental** death of, or the **accidental** bodily injury to any, person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.

Claim means an event or series of events arising from one source or original cause.

Defence costs means necessary and reasonable defence costs **you** incur to defend the alleged legal liability. However, that legal liability must be of a nature that is covered under this policy if proven.

Excess means the amount stated in the policy or shown in the **schedule**.

Loss means physical loss, physical damage, or physical destruction.

Market value means the reasonable cost to buy, immediately before the **loss** and on the retail market, a vehicle of the same:

- (a) Year, and
- (b) Make, model and specification, and
- (c) Mileage/hours, and
- (d) General condition

as the **vehicle** damaged, including the value of any insured fitted equipment.

Period of insurance means the period of time shown in the **schedule**.

Schedule means the most recent Schedule to this policy that **we** issued to **you**.

Total loss means where repair costs equal or exceed 50% of the **vehicle's market value**.

Vehicle means any motor vehicle or trailer specified in the **schedule**, including its accessories and spare parts whilst in or on it.

We/us/our means The New India Assurance Company Limited.

You means the person(s) or entity named in the **schedule** as 'Insured'. This includes any director, employee or partner of the person or entity named in the **schedule**, but only while acting in that capacity and within the scope of their authorised duties.